

REMARKSI. Introduction

In response to the Office Action dated February 14, 2002, no claims have been cancelled, amended, or added. Claims 1-27 remain in the application. Re-examination and re-consideration of the application, as amended, is requested.

II. Specification Objections

In paragraph (2) of the Office Action, the specification was objected to because of incomplete references to related applications and the use of the acronym "SQL".

Applicant's attorney has made amendments to the specification as indicated above to overcome these objections.

III. Prior Art Rejections

In paragraph (3) of the Office Action, claims 1-27 were rejected under 35 U.S.C. §103(a) as being unpatentable over Marquis, "Profitability: Growing the bottom line," (Marquis) in view of Corlett et al., U.S. Patent No. 6,253,192 (Corlett).

Applicant's attorney respectfully traverses these rejections.

Applicant's independent claims 1, 10 and 19 are generally directed to an invention that performs financial processing in a computer. Account, event and organization attributes are accessed from a database accessible by the computer, wherein: (1) the account attributes comprise data about accounts being measured, (2) the event attributes comprise data about account-related transactions, and (3) the organization attributes comprise data about the organization's financial status. One or more profitability calculations are performed in the computer using the account, event and organization attributes accessed from the database, as well as one or more profit factors and one or more rules, wherein the profitability calculations include:

$$\begin{aligned} \text{Profit} &= \text{Net Interest Revenue (NIR)} \\ &+ \text{Other Revenue (OR)} \\ &- \text{Direct Expense (DE)} \\ &- \text{Indirect Expense (IE)} \\ &- \text{Risk Provision (RP)} \end{aligned}$$

In these calculations, the Other Revenue comprises: (1) revenue that is associated with an account, (2) revenue that is associated with a person, and (3) revenue that is not specifically

associated with an account or person. The cited references do not teach or suggest all of the various elements of Applicant's independent claims.

The Office Action cites Marquis as disclosing the use of software to determine the profitability of individual customers and Corlett as disclosing the use of a computer that is accessed in a method of financial planning related to an individual's income, expenses, assets and liabilities. The Office Action states that risk factors dealing with unplanned future financial situations are discussed in Corlett.

Consequently, the Office Action asserts that, to provide Marquis to include an individual's income, expenses, assets and liabilities along with risk factors to perform financial processing profitability analysis would have been obvious to one of ordinary skill in the art in view of Corlett.

Further, the Office Action states that the descriptive language relating to profit and the attendant automatic calculations to achieve the same result of Marquis, in view of Corlett, does not rise to the level of patentable subject matter.

According to the Office Action, the various well known terms, e.g., profit, used throughout Applicant's claim language are deemed met by Marquis, in view of Corlett. The Office Action states that the terms used are well known terms used with the financial art and are not deemed to distinguish over either reference. According to the Office Action, Applicant is not inventing a financial process in a computer that is new or unobvious as the five factor profitability calculations are not deemed new terms in the art.

Applicant's attorney disagrees with this analysis. None of these assertions provides a proper basis for rejecting claims 1-27, because nowhere are the prior art references properly applied to the limitations of claims 1-27. Instead, the Office Action relies on general conclusory statements to reject Applicant's claims, without addressing the specific limitations of those claims or the specific teachings of the references.

Consider, for example, that the Marquis and Corlett references describe a number of different profitability calculations, as noted in the Office Action. However, neither Marquis nor Corlett anticipate or render obvious Applicant's invention, because neither reference describes the specific five factor profitability measurement recited in Applicant's claims, nor do they include a Risk Provision in their calculations of Profit, nor do they include an Other Revenue that comprises: (1) revenue that is associated with an account, (2) revenue that is associated with a person, and (3) revenue that is not specifically associated with an account or person.

A conclusory statement by the Office Action that the Applicant's specific five factor profitability measurement is obvious, or that the same results are achieved by Marquis and Corlett, or that this is mere "descriptive language" that does not rise to the level of patentable subject matter, or that the five factor profitability calculations are not deemed new terms in the art, overlooks the specific functions recited in Applicant's claims. Consequently, the rejections fail to persuade.

With regard to the risk factors described in Corlett, e.g., "dealing with unplanned future financial situations," these do not anticipate or render obvious the limitations of Applicant's claims directed to the use of a Risk Provision in the calculation of Profit. In the Applicant's application, on the other hand, "Risk Provision" is defined as "the expected cost of risks that arise from the uncertainties of doing business," which is nowhere referred to in Corlett.

With regard to the Other Revenue, nowhere does the Office Action assert that these claim limitations are shown by Marquis or Corlett. Consequently, these references do not anticipate or render obvious the limitations of Applicant's claims directed to "Other Revenue." In contrast, Applicant's claim limitations state that the "Other Revenue comprises: (1) revenue that is associated with an account, (2) revenue that is associated with a person, and (3) revenue that is not specifically associated with an account or person," which are limitations nowhere described in Marquis or Corlett.

Applicant's claimed invention provides operational advantages over the systems disclosed in Marquis and Corlett. Marquis and Corlett reflect more traditional approaches of profitability calculation. Applicant's invention, on the other hand, describes a different, more sophisticated model for Profit calculations, as well as a different, more sophisticated set of relationships between the elements of the model. Marquis and Corlett fail to teach or suggest the specific model, all of the elements of the model, or the relationships between the various elements.

Thus, Applicant submits that independent claims 1, 10 and 19 are allowable over Marquis and Corlett. Further, dependent claims 2-9, 11-18 and 20-27 are submitted to be allowable over Marquis and Corlett in the same manner, because they are dependent on independent claims 1, 10 and 19, respectively, and because they contain all the limitations of the independent claims. In addition, dependent claims 2-9, 11-18 and 20-27 recite additional novel elements not shown by Marquis or Corlett.

IV. Conclusion

In view of the above, it is submitted that this application is now in good order for allowance and such allowance is respectfully solicited. Should the Examiner believe minor matters still remain that can be resolved in a telephone interview, the Examiner is urged to call Applicant's undersigned attorney.

Respectfully submitted,

GATES & COOPER LLP
Attorneys for Applicants

Howard Hughes Center
6701 Center Drive West, Suite 1050
Los Angeles, California 90045
(310) 641-8797

Date: 5/14/02

By: [Signature]

Name: George H. Gates

Reg. No.: 33,500

GHG/sjm/amb

G&C 30145.391-US-01

APPENDIX: VERSION WITH MARKINGS TO
SHOW CHANGES MADE TO THE SPECIFICATION

Please replace the paragraph beginning on page 1, line 7 with follows:

Application Serial No. [09/—,—] 09/610,646, entitled "BASIC AND INTERMEDIATE NET INTEREST REVENUE IMPLEMENTATION FOR FINANCIAL PROCESSING IN A RELATIONAL DATABASE MANAGEMENT SYSTEM," filed on same date herewith, by George Robert Hood and Paul Phibbs, attorney's docket number 8980;

Please replace the paragraph beginning on page 1, line 11 with follows:

Application Serial No. [09/—,—] 09/608,355, entitled "ADVANCED AND BREAKTHROUGH NET INTEREST REVENUE IMPLEMENTATION FOR FINANCIAL PROCESSING IN A RELATIONAL DATABASE MANAGEMENT SYSTEM," filed on same date herewith, by George Robert Hood and Paul Phibbs, attorney's docket number 9006;

Please replace the paragraph beginning on page 1, line 16 with follows:

Application Serial No. [09/—,—] 09/608,675, entitled "DIRECT EXPENSE IMPLEMENTATION FOR FINANCIAL PROCESSING IN A RELATIONAL DATABASE MANAGEMENT SYSTEM," filed on same date herewith, by George Robert Hood, attorney's docket number 9010;

Please replace the paragraph beginning on page 1, line 20 with the following:

Application Serial No. [09/—,—] 09/608,342, entitled "INDIRECT EXPENSE IMPLEMENTATION FOR FINANCIAL PROCESSING IN A RELATIONAL DATABASE MANAGEMENT SYSTEM," filed on same date herewith, by George Robert Hood, attorney's docket number 9008; and

Please replace the paragraph beginning on page 2, line 1 with the following:

Application Serial No. [09/---,---] 09/608,682, entitled "RISK PROVISION IMPLEMENTATION FOR FINANCIAL PROCESSING IN A RELATIONAL DATABASE MANAGEMENT SYSTEM," filed on same date herewith, by George Robert Hood, attorney's docket number 9011;

Please replace the paragraph beginning on page 21, line 19 with the following:

Block 302 represents the Value Analyzer Calculation Engine 104 invoking one or more scripts related to the invoked Profitability Calculations 200, wherein the scripts comprise SQL (Structured Query Language) statements that are transmitted to the RDBMS 106. These SQL statements access account, event and organization attributes from the database managed by the RDBMS 106.